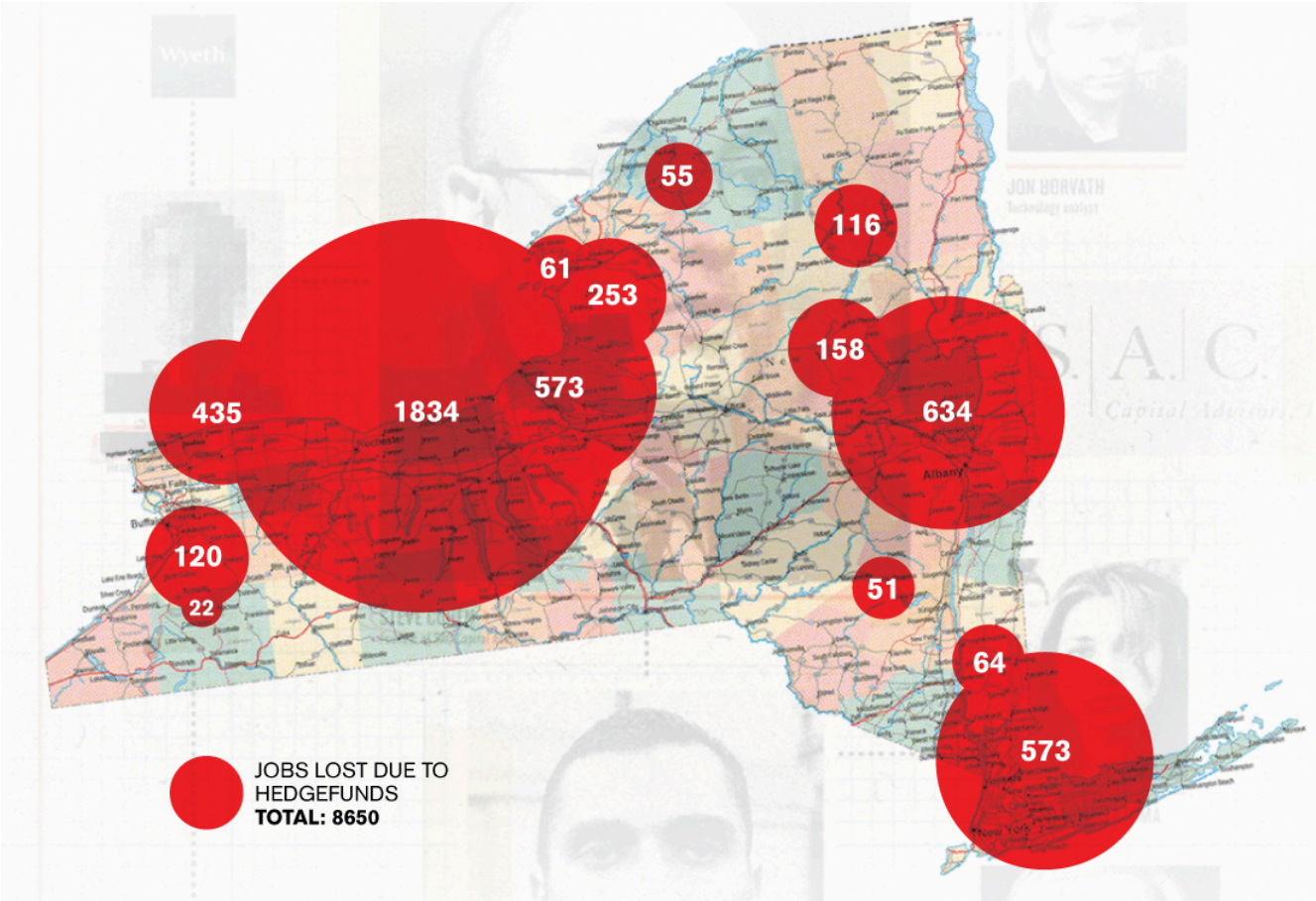


#HEDGE PAPERS NO.3: HEDGE FUNDS AND THE DESTRUCTION OF THE UPSTATE ECONOMY

2 MAR 2015 • DANIEL LOEB, DAVID EINHORN, ELECTIONS, HEDGE FUNDS, HEDGE PAPERS, HENRY KRAVIS, JOEL GREENBLATT, LAYOFFS, MARK GALLOGLY, NEW YORK STATE, PAUL SINGER, PENSIONS, STEVEN COHEN



ALTERNATIVE ASSET MANAGERS AND THE DAMAGE THEY INFLICT ON NEW YORK COMMUNITIES:

It’s a real life *Hunger Games*. The financial elite cloister themselves away in gleaming taxpayer-subsidized towers, sitting on riches they earned by devastating economies in upstate New York and beyond. They earn special treatment from Governor Andrew Cuomo and his buddies in the State Senate by splashing their ill-gotten gains into political races. Governor Cuomo, always eager to rub elbows with his Wall Street buddies, earns invites to their pricey soirées.^{[1][2]}

Average New Yorkers, meanwhile, are lucky not to lose their jobs in to a vulture hedge fund manager.

The hedge fund and private equity elite damage New York’s economy in many ways.

» *read more*

There’s the taxes that they don’t pay—through the carried interest loophole, ^[3] or through captive offshore reinsurance companies, ^[4] the financial elite have always found ways to squirrel their cash away from the tax man.

There’s the influence-peddling, exploiting loopholes in the law to inundate their political water-carriers with seemingly endless campaign cash.

Even worse, these financial titans are making their money wrecking communities across the state.

In the last ten years, a small handful of hedge funds and private equity firms profited from strategies that gutted major New York employers and cost thousands of New Yorkers their jobs. Tens of thousands of New Yorkers – particularly Upstate — saw their pay, retirement, and benefits slashed as hedge funds gorged themselves on company cash.

Company	Jobs lost	Managers involved	Regions impacted
Eastman Kodak	1834	Centerbridge, GSO Capital/Blackstone, Icahn	Rochester
Oneida	78	D.E. Shaw, Xerion Capital Partners	Sherrill (Oneida County)
WorldCom	64	Elliott Management	Rye (Westchester County)
Hostess	573	Ripplewood Management, Silver Point Capital	Various

Visteon Climate Control	120	Pardus Capital Management	Buffalo
BorgWarner	158	Partner Fund Management, GAMCO, Citadel, Criterion Capital	Ithaca
Penn Traffic	4196	Bay Harbour, CR Intrinsic/SAC Capital, King Street Capital	Statewide
Circor Flow Technologies	51	GAMCO, Gotham Asset Management, others	Walden (Orange County)
Protective Closures	22	BC Partners	Buffalo
NXP Semiconductor	634	KKR, Apax Partners, Silver Lake Capital, AlpInvest Partners	Hopewell Junction (Dutchess County)
Bausch & Lomb	435	Warburg Pincus	Rochester
Quandt's Foodservice Distributors	116	Clayton Dubilier Rice, KKR	Amsterdam (Montgomery County)
Granite Broadcasting	61	Silver Point Capital	Syracuse
Delphi	253	Elliott Management, Silver Point Capital, Third Point	Lockport (Niagara County)
FiberMark	55	Silver Point Capital	Lowville (Lewis County)
TOTAL LOST:	8,650		



ROCHESTER—CHILD POVERTY SOARS WHILE HEDGE FUND MANAGERS RAID AREA EMPLOYERS:

Scholars have noted that Rochester's industrial decline has been accelerated by the area's prior reliance on the "big three" local employers for a larger percentage of industrial employment. [5] The "big three" originally included Xerox, Bausch & Lomb, and Eastman Kodak.

Two of those three —Bausch & Lomb and Kodak— have been targets of hedge fund maneuvering that is likely the cause of job loss in Rochester. In addition to the 2,269 workers who lost their jobs in these attacks, tens of thousands of workers and retirees saw their pensions, health coverage, and wages sacrificed at the altar of hedge fund profits.

With Kodak alone, which suffered through two distressed debt plays by major hedge funds, an estimated 25,000 Rochester-area retirees had their pensions slashed.

The impact on Rochester has been nothing short of devastating. The loss of manufacturing jobs in Rochester caused a surge in unemployment and poverty. Unemployment in Rochester has more than doubled since 2000, and the crippling of Rochester's major employers means that Rochester has largely been left out of post-recession recovery.



In 2013, while the rest of the country was recovering from the Great Recession, Rochester was languishing at recession-level unemployment rates.

From 2000 to 2013, Monroe County's manufacturing base eroded at twice the rate of the United States overall, and easily outpaced the rest of the state: Who bears the brunt of this crisis? — Rochester's children.

Average child poverty in Rochester from 2009-2013 was 50%, more than double the statewide average. [6]

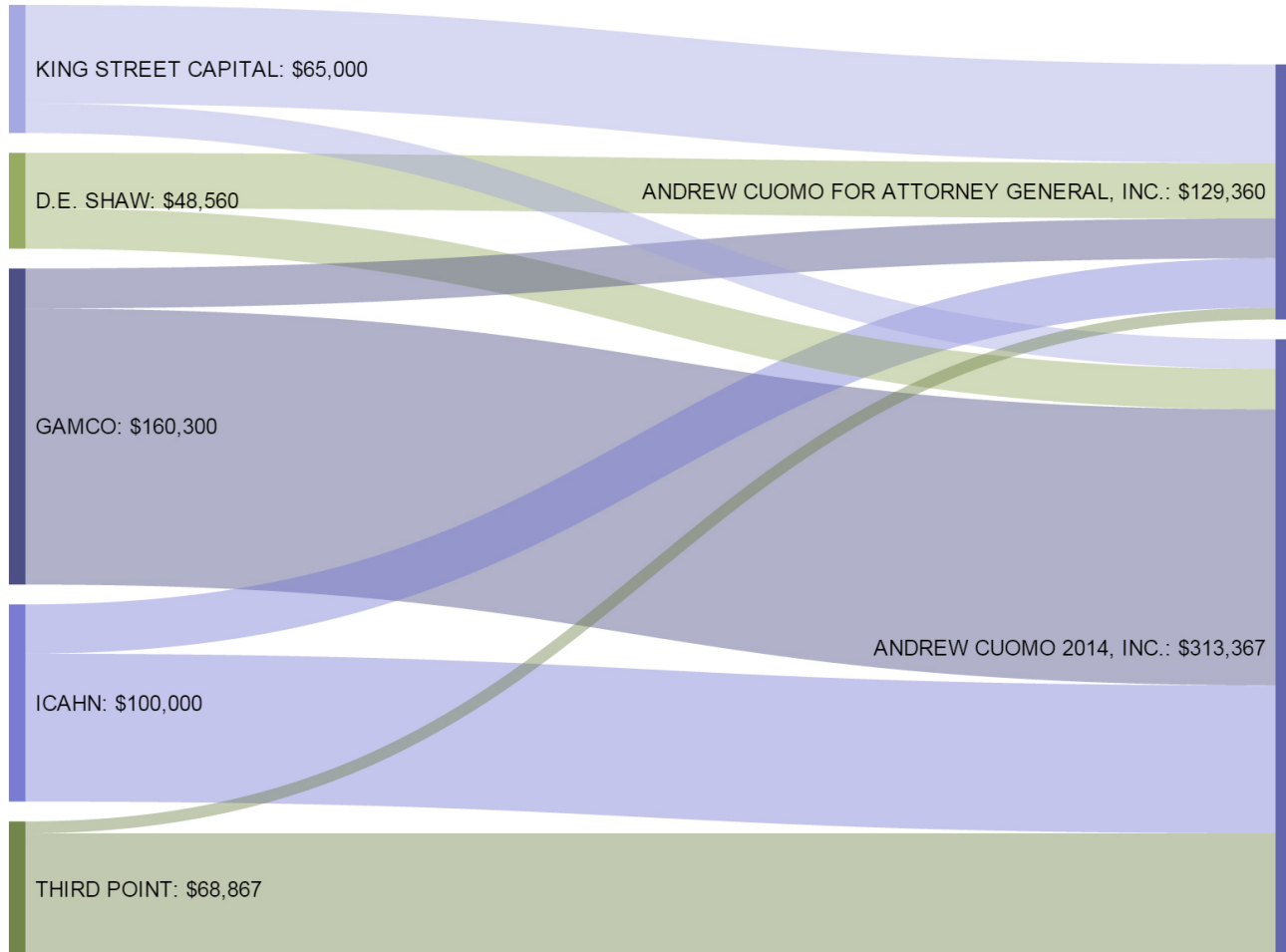
Rochester currently has the *highest child poverty nationwide*, among cities in similarly-sized metropolitan areas. [7]

Even without controlling for city size, Rochester ranks fourth-highest in terms of child poverty nationwide. In the Rochester region, 6.4 emergency meals were served per resident, an increase of more than 100% since 2000.

[8] For the 2012 school year, nearly ninety percent of students in Rochester Public Schools qualified for free and reduced lunch. [9]



HEDGE FUND MANAGERS SPEND MILLIONS TO INFLUENCE NEW YORK POLITICS:



COMPETITIVE
ADVANTAGE
RESEARCH

“Layoff Firms” contributions to Andrew Cuomo
2000-2014

The very hedge fund managers who made fortunes in these 15 deals —destroying jobs, exploding corporate debt, cutting wages and pensions and dumping the resulting companies back on others— put a nice chunk of their winnings into political contributions, giving \$442,727 to Governor Andrew Cuomo in the past three electoral cycles.



PAUL SINGER AND THE BILLION-DOLLAR DESTRUCTION OF DELPHI AUTOMOTIVE

Paul Singer is reported to have earned more than \$1.5 billion on his play at Delphi, the troubled autoparts manufacturer that was bailed out by the U.S. government in 2009. [10] Singer's Elliott Management, along with Silver Point Capital and Dan Loeb's Third Point, blocked an earlier sale proposed by the Treasury Department, which would have saved 15 of 29 Delphi plants and countless jobs. [11]

Holding Delphi at financial gunpoint, the hedge funds were able to extract additional compensation by shuttering factories across the country.

Dan Loeb, whose hedge fund also got in on the deal, boasted that “virtually no North American unionized labor” remained after the hedge funds rampaged through the company. In the final bankruptcy deal, Delphi's 20,000 retirees lost up to 70% of their pensions, [12] an estimated 8,500 workers lost their jobs nationwide, [13] and all but four factories were shuttered. [14]

Here in New York, Delphi closed nearly all its plants, demanded tax write-offs from local and county governments, [15] laid off hundreds of employees, and subjected thousands to wage cuts, benefit cuts, temporary layoffs and “voluntary” buyouts and job-eliminations. [16]



HEDGE FUND AND PRIVATE EQUITY MANAGERS WON, WHILE 8,650+ NEW YORKERS LOST:

Below is a compendium of layoffs, plant closures, and pay/benefit clawbacks at companies who found themselves in the crosshairs of hedge funds or private equity managers.



EASTMAN KODAK

JOB S LOST: 1834 (TOTAL)

FIRST ROUND: 688

SECOND ROUND: 1,146 AND RETIREMENT BENEFITS CUT FOR 25,000 IN ROCHESTER AREA (2012-2014)

LOCATIONS INVOLVED: VARIOUS, SEE BELOW

In December 2012, Eastman Kodak announced that it had secured an \$830mn debtor-in-possession loan from hedge funds including Centerbridge Capital Partners and GSO Capital Partners. [\[17\]](#) These tiered loans provided punishing interest rates of between 9.5 and 13%. Post-bankruptcy, Kodak radically restructured itself in ways that

helped bond holders but hurt upstate New Yorkers. Kodak sought to end retiree benefits in 2012, benefits that helped an estimated 25,000 Rochester-area retirees. [18] From 2012 through 2014, Kodak announced the layoffs of at least 1,149 workers in the Rochester area, a significant blow to an area desperately in need of economic stimulus.

Centerbridge Partners founder Mark Gallogly has given \$10,000 to Andrew Cuomo, [19] and GSO Capital Partners is a subsidiary of Blackstone Group, which has numerous ties to Cuomo.

Cuomo recently hired former Blackstone Senior Managing Director William Mulrow as his top aide. [20] Cuomo's Hurricane Sandy relief charity used the Housing Trust Fund Corporation (where William Murlow was one of two board members) to distribute \$3.5 million to Blackstone-financed public housing. [21]

David Einhorn, whose Greenlight Capital hedge fund owned \$13mn has given \$50,000 in contributions to Cuomo. [22]

Eastman Kodak had an earlier brush-in with a hedge fund manager, Carl Icahn, who was rumored to have begun exploring a position in Kodak by the Summer of 1989. [23] Less than three months after the FTC permitted Icahn to acquire \$500mn in Kodak stock, [24] Kodak announced massive layoffs, including 688 at their 1669 Lake Avenue plant in Rochester, NY. [25] News reports preceding the announcement indicated that Kodak management planned to meet with Icahn. [26]

Address	Employees
115 Canal Blvd, Rochester, NY 14650	77
1669 Lake Avenue, Rochester, NY 14650	1007
1999 Lake Avenue, Rochester NY 14650	322
2600 Manitou Road, Rochester, NY	95
343 State Street, Rochester, NY 14650	337



ONEIDA

JOBS LOST: 78

LOCATIONS INVOLVED: 102 EAST SENECA STREET, SHERRILL, NY 13461

D.E. Shaw and Xerion Capital Partners made an unsolicited offer for the company in 2006, which helped the company emerge from bankruptcy. [27] After the layoffs, D.E. Shaw and Xerion Capital stepped in, and Oneida shed an additional 78 jobs from 2007-2009. [28] D.E. Shaw founder David E. Shaw donated \$10,000 to Cuomo on September 10, 2010.

DELPHI

JOBS LOST: 253

LOCATIONS INVOLVED: 4236 RIDGE LEA RD, AMHERST, NY 14226 AND 200 UPPER MOUNTAIN ROAD, LOCKPORT, NY 14094

While Delphi does not appear to have filed any WARN Act notices, news reports reveal that at least 253 workers at Delphi's Lockport and Amherst, NY facilities have been permanently laid off in the previous ten years. In 2014, 10 workers "across western New York, which includes an Amherst facility and its Lockport technical center on Upper Mountain Road" were laid off. [29] In 2006, 182 hourly workers and 61 skilled trades people are on indefinite layoff at Delphi Thermal Systems in Lockport. [30] In addition to these layoffs, Delphi workers have seen wage cuts as large as 40% in 2007. [31] Work at Delphi's Lockport facility has also been shifted to more contingent labor. In 2006, Delphi offered buyouts to 1,300 workers at Rockport, replacing outgoing employees

with roughly 600 temps, making approximately half of what the outgoing employees made. [32] Delphi workers also saw their pensions consigned to the federally-backed Pension Benefit Guaranty Corp., a shift that could see pensions reduced by a reported 70%. [33]

Paul Singer's Elliott Management, along with Silver Point Capital, and Third Point Partners, bought up the distressed debt of Delphi, following their 2005 bankruptcy. [34] As Delphi went through bankruptcy, it faced pressure to cut worker wages and close factories, resulting in heavy wage and benefit cuts in the Niagara region.

WORLD COM

JOBS LOST: 64

LOCATIONS INVOLVED: 1 INTERNATIONAL DRIVE, RYE BROOK, NY 10573

After WorldCom went bankrupt in 2002, [35] Elliott Management joined a host of distressed-debt buyers, who sought repayment for bonds issued by WorldCom subsidiary MCI Group. [36] The distressed-debt group was active in WorldCom's Chapter 11 restructuring, which Worldcom emerged from in April 2003. [37] Shortly before the finalization of their restructuring, Worldcom filed a WARN Act notice for their Ryebrook, NY-based digital communications services office, announcing that the office was closing. [38] Job loss was estimated to effect 64 employees. Paul Singer, the head of Elliott Management, contributed \$500,000 to New Yorkers for a Balanced Albany.



HOSTESS

JOBS LOST: 573

LOCATIONS INVOLVED: SEE TABLE BELOW

Purchased by private equity firm Ripplewood Management and Silver Point Capital, which laid off 573 workers in New York in 2012, after unsuccessfully attempting to gut worker pay and benefits. [39] They layoffs, announced in October 2012, affected 20 sites across the state. [40] Ripplewood CEO Tim C. Collins has given \$10,000 to Cuomo.

Address	Employees
60-06 37th Avenue, Woodside, NY 11377	33
310 Creekside Drive, Buffalo, NY 14227	38
9559 River Road, Marcy, NY 13403	10
168-23 Douglas Avenue, Jamaica, NY 11433	2
161 Troy Schenectady Road, Watervliet, NY 12189	26
5820 E Malloy Road, Syracuse, NY 13211	23
3645 West Henrietta, Rochester, NY 14623	26
89-18 Atlantic Avenue, Ozone Park, NY 11416	43
157 Bracken Road, Montgomery, NY 12549	36
569 Broadhollow Road, Melville, NY 11747	53
35-05 Conner Street, Bronx, NY 10475	53
Plt 65, 168-23 Douglas Avenue, Jamaica, NY 11433	31
168-46 Douglas Avenue, Jamaica, NY 11433	44
1054 Harlem Road, Cheektowaga, NY 14227	3
2377 Harlem Road, Cheektowaga, NY 14225	1
131 Oriskany Blvd, Whitesboro, NY 13492	3
125 South Central Avenue, Elmsford, NY 10523	49
890 South Oyster Bay Road, Hicksville, NY 11801	57
3030 Veterans Memorial Highway, Bohemia, NY 11716	39

VISTEON CLIMATE CONTROL SYSTEMS

JOBS LOST: 120

LOCATIONS INVOLVED: 4900 NORTH AMERICA DRIVE, WEST SENECA, NY 14227

Amid their battle with Pardus Capital Management for board seats, Visteon closed a division of their 200-employee West Seneca, NY plant. [41] One hundred and twenty UAW members lost their jobs in the April 2006 layoff, a major blow to this suburb of Buffalo, NY. [42] Former Silver Point partner Harry J. Wilson is a major contributor to Republicans in New York. Wilson gave \$94,200 to the Republican State Committee in 2010, and has consistently donated to the New York Conservative Party.

BORGWARNER

JOBS LOST: 158

LOCATIONS INVOLVED: 800 WARREN ROAD, ITHACA, NY 14850 AND 3690 LUKER ROAD, CORTLAND, NY 13045

While BorgWarner does not appear to have been the target of a specific activist campaign, BorgWarner became a hedge fund darling in 2013, [43] after buying back 1.5mn shares in the last quarter of the 2012 fiscal year. [44] Around the same time that the buyback was initiated, BorgWarner embarked on a year-long effort to trim jobs at their Cortland and Ithaca powdered metal plants. Local news announced that 158 jobs would be lost in the closure. [45] BorgWarner filed a number of amended WARN Act notices, [46] beginning four days after the company announced that it was considering share buybacks. [47] Mario Gabelli of GAMCO Investors, one of the hedge funds involved in the BorgWarner play, donated \$50,000 to Cuomo in 2014.



PENN TRAFFIC CO.**JOBS LOST: 4,196****LOCATIONS INVOLVED: SEE TABLE BELOW**

Penn Traffic, the troubled grocer that merged with Tops Markets in 2010, was the subject of significant hedge fund activity in 2007. Several distressed debt buyers purchased large stakes in the company after it emerged from its second bankruptcy, in a move that was widely seen as a merger play. During the period of hedge fund control, Penn shuttered its bakery and warehousing operations, spent the entirety of 2007 trying to merge with Tops Markets, and sputtering toward their third bankruptcy.

Bay Harbour Management made an aggressive play for board control in the spring of 2007, grabbing more than 23% of the company's float [48] and securing two seats on Penn Traffic's eight member board after threatening a proxy fight. [49] Additionally, Steve Cohen's SAC Capital purchased 9.7% of Penn Traffic through a subsidiary of his now-defunct hedge fund, SAC Capital Partners. [50] While Penn Traffic was negotiating with Bay Harbour, they closed their profitable warehousing segment, [51] including their Jamestown warehouse, [52] the first step in a move to utilize third-party warehouse services. [53] 54 employees lost their jobs, and 49 of whom were UFCW members. [54]

Following the gain of board seats, Penn Traffic issued \$10mn in preferred shares to Bay Harbour, CR Intrinsic (subsidiary of SAC Capital), and King Street Capital. The stock was eligible for conversion at \$16.12 per share one year after issuance (issued December 2007). At the time of conversion, Penn Traffic's stock was worth approximately \$0.50/share. [55]

In 2008 Penn Traffic also suffered a \$4.8mn loss, stemming from a failed merger with Tops Markets—a supermarket chain that would eventually take over Penn Traffic in 2010. This loss likely contributed to Penn's third bankruptcy. In 2009, Penn Traffic filed a WARN act notice announcing the loss of 4,142 jobs lost across more than fifty locations statewide. [56]

Location	Jobs lost	Location	Jobs lost
1200 State Fair Blvd, Syracuse, NY 13221	382	404 W. Morris St., Bath, NY 14810	39
3407 Walters Rd, Syracuse, NY 13221	285	119 West Seneca St., Manlius, NY 13104	117
181 Shop City Plaza, Syracuse, NY13206	69	212 Hancock St., Ithaca, NY 14851	32
620 Nottingham Road, Syracuse, NY 13210	87	8417 Oswego Road, Clay, NY 13027	77
217 Erie Blvd. West, Rome, NY 13440	74	18 Park Drive, Hornell, NY 14843	47

54 E. Main Street, Norwich, NY 13815	66	2309 N. Triphammer Rd., Ithaca, NY 14850	52
5 Commons Drive, T. 28, Cooperstown, NY 13326	47	184 Homer Avenue, Cortland, NY 13045	35
1963 Kingdom Plaza, Waterloo, NY 13165	79	201 Market St., Potsdam, NY 13676	63
Seaway Shopping Center, Ogdensburg, NY 13669	60	9554 Harden Blvd/State Rt., Camden, NY 13316	56
22050 Seaway Shopping Center, Watertown, NY 13601	59	504 So. Franklin St., Watkins Glen., NY 14891	51
389 East Main Street, Gouverneur, NY 13642	67	3803 Brewerton Rd., N. Syracuse, NY 13212	102
71 Nelson Street, Cazenovia, NY 13035	75	5351 N. Burdick St., Fayetteville, NY 13066	140
Rt. 5 & Oxbow Road, Canastota, NY 13032	68	321 Liberty St., Penn Yan, NY 14527	81
87 E. State Street, Sherrill, NY 13461	62	152 Harte Haven Plaza, Massena, NY 13662	59
5335 West Genesee Street, Camillus, NY 13031	101	110 South Work St., Falconer, NY 14733	53
4410 E. Genesee Street, DeWitt, NY 13214	49	51 Main St., Randolph Plaza, Randolph, NY 14772	36
1600 Cedar Street, Southtown, Elmira, NY	76	150 Prospect St., Attica, NY 14011	50
1145 Rt. 17C, Oswego, NY 13827	44	20 Center St., Frewsburg, NY 14738	19
111 E. Main Street, Canton, NY 13617	83	140 Central Ave., Silver Creek, NY 14136	39
Rts. 81 & 13, 160 Clinton Ave., Cortland, NY 13045	65	64 South Erie Street, Mayville, NY 14757	40

2120 W. Genesee Street, Syracuse, NY 13219	75	5274 Main & Union, Williamsville, NY 14221	89
800 W. Genesee Street, Chittenango, NY 13037	58	7134 Rochester Rd., Lockport, NY 14094	71
3830 Rome Road, Pulaski, NY 13142	86	279 E. Fairmount Avenue, Lakewood, NY 14750	51
60 High Street, West Carthage, NY 13619	59	64 E. Washington St., Ellicottville, NY 14731	26
2265 Downer Street, Baldwinsville, NY 13027	101	738 Foote Avenue, Jamestown, NY 14701	89
315 Pine Tree Toad, Ithaca, NY 14850	77	D&F Plaza, 1170 Central Avenue, Dunkirk, NY 14048	66
7301 South State Street, Lowville, NY 13367	63	121 East Main Street, Westfield, NY 14787	38
40 Fennell Street, Skaneateles, NY 13152	107	101 Jackson Avenue, W.E., Jamestown, NY	54

CIRCOR FLOW TECHNOLOGIES

JOBS LOST: 51

LOCATIONS INVOLVED: 150 COLDENHAM ROAD, WALDEN, NY 12586

Circor's parent company became a hedge fund favorite in April 2013, four months prior to the announcement of 51 layoffs at Circor Flow Technologies' Walden, NY stem and fluid control device plant. [57] The affected workers were members of the International Association of Machinists and Aerospace Workers. Just months after the last worker was laid off, [58] Circor announced a \$75mn share repurchase program. [59] Hedge fund managers bullish on Circor during the layoffs included Gotham Asset Management, whose founder Joel Greenblatt has given \$50,000 to Andrew Cuomo (his wife, Julia, gave an additional \$25,000) and an additional \$250,000 to New Yorkers for a Balanced Albany. Another hedge fund involved in the play, Mario Gabelli of GAMCO Investors, donated \$50,000 to Cuomo in 2014.

PROTECTIVE CLOSURES

JOBS LOST: 22

LOCATION INVOLVED: 2150 ELMWOOD AVE, NORTH BUFFALO, NY

Protective Closures laid-off 22 employees at their Elmwood Avenue plant in North Buffalo in the summer of 2001. [60] At the time of the layoffs, Protective Closures was a subsidiary of Mark IV, itself owned by private equity

firm BC Partners. [61] BC Partners former senior partner [62] James Rubin was tapped by Cuomo to be the director for the NY Rising Community Reconstruction program. [63]

NXP SEMICONDUCTOR

JOBS LOST: 634

LOCATIONS INVOLVED: HUDSON VALLEY RESEARCH PARK, 2070 RT 52, HOPEWELL JUNCTION, NY 12533

NXP Semiconductor was spun out of Philips Electronics in 2006, and purchased by a group of private equity managers including Silver Lake Capital, Bain Capital, Apax Partners, Kohlberg Kravis Roberts, and AlpInvest Partners NP. [64] NXP suffered two rounds of layoffs at their Hopwell Junction plant, which had been in continuous operation as a semiconductor facility since the 1980s. [65] The first layoffs in 2009 saw twelve employees lose their jobs, with an estimated 500 to follow that summer. [66] The final tally of the second round of layoffs was 622. [67]

KKR founder Henry Kravis is the chair of the Partnership for New York City, [68] which has donated at least \$3mn to a dark money organization supporting Cuomo. [69]



BAUSCH & LOMB

JOBS LOST: 435

LOCATIONS INVOLVED: 1400 N. GOODMAN STREET, ROCHESTER, NY 14609 AND ONE BAUSCH AND & LOMB PLACE, ROCHESTER, NY 14604

Bausch & Lomb was acquired from Warburg Pincus by Valeant Pharmaceuticals, who paid \$4.5bn in cash and spent \$4.2bn paying off debt. Bausch was taken private by Warburg Pincus in 2007 for \$4.5bn. [70] According to reporting on TheStreet.com, Bausch & Lomb's 2007 buyout was largely self-financed with debt. [71] According to

the S-1 statement filed during the Valeant acquisition, interest expenses outstripped operating income in every year of financial data provided. [72] Bausch & Lomb's workforce reductions came in 2013, after the Valeant acquisition. [73] The 435 jobs lost at two Rochester, NY may have been prevented if the company had not been overloaded with debt.

Warburg Pincus senior advisor William Janeway contributed \$10,000 to Cuomo in May of 2010.

QUANDT'S FOODSERVICE DISTRIBUTORS, INC.

JOBS LOST: 116

LOCATIONS INVOLVED: 105 QUIST ROAD, AMSTERDAM, NY 12010

Quandt's Foodservice Distributors is currently owned by Sysco. When the layoffs were announced, Quandt was owned by U.S. Food Service, itself a subsidiary of an entity controlled by private equity firms Clayton Dubilier and Kohlberg Kravis Roberts. [74] The layoffs were originally announced in 2013, and occurred through April 2014. [75] Clayton Dubilier partner Thomas Franco donated \$1,000 to Cuomo in 2009.

WKBW-TV CHANNEL 7/GRANITE BROADCASTING

JOBS LOST: 61

LOCATIONS INVOLVED: 980 JAMES STREET, SYRACUSE, NY 13203

Not even upstate media is insulated from the job destroying affects of hedge funds. Six employees– five of them union members– were laid off from Channel 7 in December 2010. [76] Channel 7 is owned by Silver Point Capital, a hedge fund based in Greenwich, CT. [77] Granite Broadcasting had previously laid off 55 workers in Syracuse, during the summer of 2009. [78] Silver Point Capital donated \$5,000 to the Republican Campaign Committee of New York in 2012. [79]

FIBERMARK

JOBS LOST: 55

LOCATIONS INVOLVED: 5492 BOSTWICK ST, LOWVILLE, NY 13367

Thirty workers were laid off in 2009, at this Lowville, NY paper plant. [80] An additional 25 were laid off in seasonal job cuts in 2011. [81] FiberMark was run by Silver Point Capital, which restructured the firm by drastically cutting employee salaries. [82] Silver Point exited the deal by selling FiberMark to American Securities, a private equity firm that cut back staff at FiberMark. According to a FiberMark employee, whose pay was slashed from \$17.50/hour to \$12.33, \$9mn in wages and benefits were trimmed during the restructuring. [83] Silver Point Capital donated \$5,000 to the Republican Campaign Committee of New York in 2012. [84]



WHO ARE THE HEDGE CLIPPERS?

The Hedge Clippers are working to expose the mechanisms hedge funds and billionaires use to influence government and politics in order to expand their wealth, influence and power. We're exposing the collateral damage billionaire-driven politics inflicts on our communities, our climate, our economy and our democracy. We're calling out the politicians that do the dirty work billionaires demand, and we're calling on all Americans to stand up for a government and an economy that works for all of us, not just the wealthy and well-connected.

The project is supported by the Strong Economy for All Coalition, a coalition of labor unions and community groups working to fight income inequality and build shared prosperity and economic & social justice in New York and around the country.



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